

"Great Apartments Start Here!"

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October 28,2019
Via Electronic Mail

Hon. Mayor Emily Gabel-Luddy and Members of the Burbank City Council Burbank City Hall 275 East Olive Avenue Burbank, California 91502

Re: First Step-Tenant Protection (Agenda Item 14)

Dear Mayor Gabel-Luddy and Members of the City Council;

The Apartment Association of Greater Los Angeles' (AAGLA) has strong concerns relative to the Council's consideration of an Interim Tenant Protection urgency ordinance pending the January 1, 2020 effective date of Assembly Bill 1482, the statewide rent control and renter protection law. As the Council begins this discussion, we request your consideration of the issues and recommendations set forth herein.

While the City Attorney's report provided background on the reasons for the Council's discussion of the matter, no data was included reflecting a widespread eviction issue within the City that warrants adoption of an interim urgency ordinance. Further, during previous Council meetings, when the matter was raised, individuals were directed to the Landlord Tenant Commission and other resources for assistance. In October 2019, Governor Newsom signed into law statewide rent control and renter protection measures effective on January 1, 2020. As of November 1, 2019, owners will no longer be permitted to serve 60-day termination notices to evict renters, as the notice period would fall within the effective date of the new law, and therefore, eliminating the opportunity for such "no fault" evictions within the remainder of the interim period.

The Staff Report sets forth several options for the interim ordinance, an ordinance that mirrors the eviction requirements and related relocation benefits contained within Assembly Bill 1482 or alternatively require the payment of relocation benefits to renters evicted without cause or due to a "no-fault" eviction.

In outlining the options for determining eligibility for relocation benefits, the Staff Report



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notes that such assistance could be provided to renters who are evicted for non-payment of rent, if the rent had been raised beyond the amount permissible under Assembly Bill 1482. Currently, owners are legally permitted to issue rent increases above the established limits of the new state law, with the knowledge that beginning on January 1, 2020, any rent increase previously issued must be reduced based on the rental rate in effect on March 15, 2019 plus the maximum permissible rent increase (5% plus the change in the Regional Consumer Price Index). Moreover, the State law explicitly states that "owners shall not be liable to the tenant for any corresponding rent overpayment." Providing relocation benefits to a renter who was evicted for non-payment of rent founded upon the issuance of a legally permissible rent increase would directly conflict with the intent of the state law and unfairly penalize owners for such action.

Our Association represents thousands of small rental property owners, many of whom are "mom and pop' rental property owners in the City of Burbank. Many of our members are retired seniors that currently or have worked regular, 9-5 jobs for decades, scrimping and saving to afford their small investment in rental property that secures and supplements their retirement and at the same time provides affordable housing to the members of their community. Many of our members are multi-generational immigrants, retired teachers and retired first responders that chose to make a small community investment as their way to house themselves and others. Our members are housing providers, seeking to fill vacancies and provide individuals with homes, and accordingly, eviction runs counter to that objective. **Rental housing providers in the City of Burbank are not in the eviction business**.

As the Council contemplates the need for this interim ordinance, we ask the Council to recognize the value and contribution of small rental housing providers in providing most of the available affordable housing to the residents of Burbank. Further, recognize that "Just Cause" eviction requirements create additional hurdles for small rental housing providers to overcome when evicting a problematic renter who is creating a nuisance or engaging in illegal activity at their building and often negatively affecting other renters' quiet enjoyment of their homes.

Moreover, if the Council decides to adopt an interim urgency ordinance effective through December 31, 2019, we ask that the ordinance provide targeted relocation benefits to renters based on actual financial need. Small rental housing providers have limited financial resources to make sizeable, lump sum payments to pay for relocation of renters that may, in fact, be better financially situated than them. If the City Council chooses to go down this path, we ask that you exempt small rental housing providers with buildings of eight or fewer units from the interim ordinance.

Thank you for your time and consideration of these important issues. If you have any questions, please call me at (213) 384-4131; Ext. 309 or contact me via electronic mail at danielle@aagla.org.

Very truly yours,

Danielle Leidner-Peretz